

**RHODE ISLAND RESOURCE RECOVERY CORPORATION**

**BUSINESS MEETING**

**WEDNESDAY, NOVEMBER 8, 2006**

**8:30 A.M.**

**65 SHUN PIKE**

**JOHNSTON, RI 02919**

**I. Attendance**

**A. Austin Ferland, Chairman and CEO**

**Ken Aurecchia, Vice Chairman**

**Michael Salvatore, Treasurer**

**John St. Sauveur**

**Jerry Williams**

**II. Staff Present**

**Sherry Mulhearn, Executive Director**

**James Allam, Deputy Executive Director**

**Patrick McQueeney, Chief of Security**

**Dennis aRusso, Landfill Manager**

**Mike Mesolella**

**John Trevor, Recycling Manager**

**Patricia Cerbo, Purchasing Manager**

**William Anderson, Engineering Manager**

**Joe Judge, Chief Financial Officer**

**Bill Jasparro, Physical Plant Manager**

**Claude Cote, Director of Regulatory Compliance**

**Sharon D'Angelo, Administrative Manager**

**Others Present**

**Jerry Dugan, Waste Management**

**Frank McCauley, The Salvation Army**

**Thomas Taylor, The Salvation Army**

**Peggy Jennings, The Salvation Army**

**Bob Baldwin, Builders Helping Heroes**

**Jay Ryan, Bank of America**

**Stephen Hoffman, Bank of America**

**Charlie Francis, CB Richard Ellis**

**Mike Wall, CB Richard Ellis**

**Peter Latta, A. Duie Pyle**

**III. Agenda Items**

**1. Call to Order – Chairman Ferland called the meeting to order at 8:30 a.m.**

**2. Minutes of the Previous Meeting**

**Michael Salvadore made the following motion:**

**THAT THE READING OF THE MINUTES BE WAIVED AND FURTHER THAT THE MINUTES OF THE PREVIOUS MEETING OF THE OPEN SESSION AND THE EXECUTIVE SESSION HELD ON OCTOBER 3, 2006 BE ACCEPTED AND APPROVED AS PRESENTED TO EACH COMMISSIONER TODAY.**

**Ken Aurecchia seconded the motion which passed unanimously.**

### **3. Set the Next Meeting**

**No date was scheduled. The Chairman announced that on December 13 the Corporation will be holding its annual Holiday Party which will be combined with a tribute for the departing Director and Deputy Director.**

**Chairman Ferland opened the meeting to questions or comments.**

**Thomas Taylor from the Salvation Army addressed the Board. He was seeking the municipal rate. Chairman Ferland stated that this matter will be taken up by the Finance Subcommittee at its next meeting.**

**Bob Baldwin also addressed the Board seeking a \$25,000 donation to Builders Helping Heroes. Chairman Ferland stated that this matter would be sent to the Finance Subcommittee.**

**Commissioner Salvatore stated that on October 28 the Town of Narragansett conducted a Trick or Trash Recycling Collection. The weather did not cooperate with this event, but the collection was attended by approximately 800 cars and he wanted to commend the staff for their efforts.**

#### **4. Contracts**

##### **Contract Increase**

**a) Common Borrow Material – Dennis aRusso reported that he was seeking to increase the purchase order that was issued to Northeast Transportation. The original purchase order will expire on December 31, 2006. The Corporation requested that the vendor certify an additional 10% in tonnage. Northeast Transportation is requesting an extension to the original contract because they presently have the additional 7500 tons of common borrow material to be supplied at a rate of \$5.59 which is equivalent to the amount the Corporation is currently paying under a contract with Patriot Hauling Company. On October 12, 2006, the Executive Director authorized \$20,000.00 increase, the maximum amount she could increase without board approval for an additional 3577 tons with a not to exceed amount of \$460,245.43 to keep the deliveries moving.**

**Ken Aurecchia made the following motion:**

**BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD OR THE EXECUTIVE DIRECTOR TO EXTEND THE CONTRACTUAL AGREEMENT FOR THE SUPPLY AND DELIVERY OF APPROXIMATELY 3923 TONS OF COMMON BORROW MATERIAL, AT THE PRICE OF \$5.59 PER TON BETWEEN RHODE ISLAND RESOURCE RECOVERY CORPORATION AND NORTHEAST TRANSPORTATION OF SMITHFIELD, RI FOR AN AMOUNT NOT TO EXCEED AMOUNT OF \$482,175.00.**

**John St. Sauveur seconded the motion which passed unanimously.**

**b) Phase IV Landfill Cap Construction - DiGregorio, Inc. – Bill Anderson reported that DiGregorio has requested a change order for resin escalation costs related to the geosynthetic products utilized on the cap project. At the time of the original submittal, DiGregorio based its escalation on the August 1st resin pricing for both HDPE and LLDPE at .58/lb. and .61/lb respectively. At the time of the order placement for the 2006 liner work, the costs for the liner and CDN had increased an average of .23/lb. In accordance with the contract change order requests, the contractor has requested 10% for overhead and profit and 2% for the increase to the labor and payment bond costs. The materials escalation resulted in a total change order amount of \$165,150.48. Both PARE Engineering and Bill Anderson have reviewed the change order request and are in agreement on the requested amount. This matter was reviewed by the Finance**

**Subcommittee prior to the Board meeting.**

**Michael Salvadore made the following motion:**

**BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD OR THE EXECUTIVE DIRECTOR TO INCREASE THE CONTRACTUAL AMOUNT FOR THE PHASE IV LANDFILL CAP CONSTRUCTION CONTRACT, DATED NOVEMBER 7, 2005, WITH DIGREGORIO, INC. OF SMITHFIELD, RI FOR AN INCREASE OF \$165,150.48 FOR A TOTAL AMENDED CONTRACT PRICE OF \$7,163,350.48.**

**John St. Sauveur seconded the motion which passed unanimously.**

**c) Design Engineering Services – Industrial Park Crossman Engineering Inc. - Bill Anderson reported that the original design contract was approved by the Board in July 2002 in the amount of \$498,850 which included \$71,430 for construction related services. The original bid required the designer to prepare a full set of construction documents for the entire park for one construction related bid. Since the original award, the Corporation has now issued two sets of bid documents. In addition, Crossman was requested to prepare three different administrative subdivision plans in an effort to move development along on the park and redesign the lower park including the drainage system to accommodate a potential tenant. Crossman was also asked to revise the construction documents in an**

effort to reduce construction related costs. These additional expenses to the project have totaled \$127,518.75. This matter has been reviewed by the Finance Subcommittee.

Michael Salvadore made the following motion:

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD OR THE EXECUTIVE DIRECTOR TO INCREASE THE CONTRACTUAL AMOUNT FOR THE DESIGN ENGINEERING SERVICES RELATED TO THE INDUSTRIAL PARK CONTRACT DATED JULY 28, 2002, WITH CROSSMAN ENGINEERING, INC. OF WARWICK, RI FOR AN INCREASE OF \$60,000.00 FOR A TOTAL AMENDED CONTRACT PRICE OF \$558,850. THE CONTRACT SHALL ALSO BE EXTENDED UNTIL DECEMBER 30, 2007, IN AN EFFORT TO COINCIDE WITH CONSTRUCTION ACTIVITIES.

John St. Sauveur seconded the motion which passed unanimously.

### **Contract Renewal**

a) Pension Fund Manager – Jim Allam reported that on September 21, 2004 a contract was awarded to Van Liew Trust to provide these services for a one year period with the option to renew for two additional one year periods at the rate of 60 basis points based on the value of the portfolio. The first renewal commenced January 1, 2006

and will end December 31, 2006. Based on a plan value of approximately \$22,800.00 the annual fee for services will be \$136,800. In order to provide continuity of Investment and Administrative Services for the Pension Plan, it was recommended that this contract be renewed for an additional year.

Michael Salvadore made the following motion:

**BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OR THE EXECUTIVE DIRECTOR TO RENEW THE CONTRACT WITH VAN LIEW TRUST COMPANY TO PROVIDE PENSION PLAN INVESTMENT MANAGEMENT SERVICES, ADMINISTRATIVE AND RECORD KEEPING SERVICES, CUSTODIAL SERVICES AND UNITIZATION SERVICES FOR THE SECOND RENEWAL PERIOD STARTING JANUARY 1, 2007, AND ENDING DECEMBER 31, 2007. THE COST FOR THESE SERVICES WILL BE 60 BASIS POINTS BASED ON THE VALUE OF THE PORTFOLIO.**

Ken Aurecchia seconded the motion, John St. Sauveur abstained, and therefore the motion did not carry for lack of affirmative majority vote. The resolution will be presented at the next scheduled meeting.

## **5. Grant Approvals**

John Trevor sought a grant for the Arthritis Foundation. The amount



of the grant was questioned and the matter was deferred to the Finance Subcommittee.

Mike Mesolella stated that the FY 2007 Competitive Municipal Grant program is one element in the ongoing effort to assist municipalities with increasing their diversion rates. The purpose of the grant program is to support new program or initiatives that are undertaken by the municipalities to increase the quantity and improve the quality of material delivered to the RIRRC MRF. Funding for the program has been approved in the FY 2007 Budget.

Ken Aurecchia made the following motion:

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD AND/OR THE EXECUTIVE DIRECTOR TO AWARD A RECYCLING ASSISTANCE GRANT IN THE TOTAL AMOUNT OF \$25,000 FOR THE PURPOSE OF FUNDING PROJECTS THAT ENHANCE RECYCLING AND INCREASE THE DIVERSION OF RECYCLABLES FROM DISPOSAL. A GRANT TO THE FOLLOWING MUNICIPALITY IN THE AMOUNT OF \$25,000 SHALL BE AWARDED TO THE TOWN OF NEW SHOREHAM.

Michael Salvatore seconded the motion which passed unanimously.

## **6. Lease**

**Jim Allam reported that on June 22, 2006 the Board of Commissioners authorized that a three year lease be negotiated with Flagship Bus lines to lease property from the Corporation. The final lease terms have been tentatively agreed upon at \$3,500.00 a month or \$42,000.00 annually. This is an increase of \$500.00 per month or \$6000.00 more annually than the amount that was previously established for a month-to-month rental agreement.**

**John St. Sauveur made the following:**

**BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD OR THE EXECUTIVE DIRECTOR TO RATIFY THE LEASE AGREEMENT BETWEEN THE RHODE ISLAND RESOURCE RECOVERY CORPORATION AND G. DICOSTANZO D/B/A FLAGSHIP BUS FOR AN AMOUNT OF \$42,000.00 ANNUALLY FOR THE PERIOD BEGINNING 12/1/2006 AND ENDING 11/30/2009.**

**Ken Aurecchia seconded the motion which passed unanimously.**

**7. Bank of America – Sherry Mulhearn stated that representatives from the Bank of America were present at the meeting to give an overview of short-term borrowing for the Corporation. Jay Ryan together with his colleague Stephen Hoffman gave an overview. Jerry Williams suggested that the Finance Subcommittee and Staff revisit**

**the Budget prior to any borrowing. Sherry will also ask the Budget Office about installment payments with regard to the \$3 million retroactive I payment to the State.**

**8. Hirings – Sherry Mulhearn reported that the Corporation was seeking to fill the positions of Deputy Executive Director and two operators.**

**Ken Aurecchia made the following motion:**

**WHEREAS, ON MAY 21, 1997, THE BOARD OF COMMISSIONERS ADOPTED A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO HIRE, TO TERMINATE, AND TO ESTABLISH COMPENSATION FOR EMPLOYEES OF THE CORPORATION; WHEREAS, THE EXECUTIVE DIRECTOR'S HIRINGS ARE TO BE REVIEWED AND APPROVED BY THE CHAIRMAN AND CEO AND RATIFIED BY THE BOARD; WHEREAS, AN ADVERTISEMENT WAS POSTED IN HOUSE FOR THE POSITIONS OF DEPUTY EXECUTIVE DIRECTOR AND OPERATORS (2) . A COPY OF THE POSTING HAS BEEN DISTRIBUTED TO THE BOARD OF COMMISSIONERS. AFTER A THOROUGH REVIEW OF ALL APPLICATIONS SUBMITTED FOR THE POSITION INTERVIEWS WERE HELD; WHEREAS, THE CHAIRMAN HAS APPROVED THE SELECTION OF THE NAMED INDIVIDUALS; THEREFORE, THIS BOARD OF COMMISSIONERS HEREBY AUTHORIZES THE EXECUTIVE DIRECTOR TO EXTEND AN OFFER OF**

## **EMPLOYMENT TO THE RECOMMENDED INDIVIDUALS.**

**John St. Sauveur seconded the motion which passed unanimously.**

### **9. Executive Session**

**John St. Sauveur made the following motion:**

**THAT BY A ROLL CALL VOTE, CALLED BY THE GENERAL COUNSEL, THIS BOARD OF COMMISSIONERS SHALL GO INTO EXECUTIVE SESSION, CLOSED TO THE PUBLIC, IN CONFORMANCE WITH RI GENERAL LAWS SECTION 42-46-4, UPON AN AFFIRMATIVE VOTE OF THE BOARD'S MAJORITY. IN CONFORMANCE WITH RI GENERAL LAWS SECTION 42-46-5, THIS BOARD'S VOTE TO HOLD THIS PORTION OF THE MEETING CLOSED TO THE PUBLIC IS FOR THE FOLLOWING PURPOSES:**

**(A) (1) PERSONNEL**

**(A) (2) LITIGATION**

**(A) (5) ACQUISITION OR DISPOSITION OF REAL PROPERTY**

**(A) (6) PROSPECTIVE BUSINESS INTERESTED IN LOCATING IN RHODE ISLAND**

**Ken Aurecchia seconded the motion which passed unanimously.**

**Michael Salvatore made the following motion at 10:20 a.m.**

**THAT THE MINUTES OF THE EXECUTIVE SESSION BE SEALED INDEFINITELY OR WHERE APPROPRIATE UNTIL ALL MATTERS DISCUSSED ARE RESOLVED.**

**Ken Aurecchia seconded the motion which passed unanimously.**

## **10. Other Business**

### **a) Industrial Park Tenant**

**Sherry Mulhearn stated that Charlie Francis would address the Board on a possible tenant for the Industrial Park. Mr. Francis stated that he has a client that is seeking 15 acres in the Industrial Park. Peter Latta, Chairman of A.Duie Pyle addressed the Board regarding their operation and their desire to purchase acreage.**

**Michael Salvatore made the following motion:**

**BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH A. DUIE PYLE ON 15 ACRES IN THE INDUSTRIAL PARK BASED ON A. DUIE PYLE CLOSING 6 MONTHS FROM EXECUTION OF A PURCHASE AND SALES AGREEMENT WITH NO EXTENSION, A \$100,000 DEPOSIT, AND THE CORPORATION**

## **SELECTING THE 15 AVAILABLE ACRES.**

**Ken Aurecchia seconded the motion which passed unanimously.**

### **b) Salvation Army**

**Thomas Taylor representing the Salvation Army asked for a reduced rate for trash. This matter was referred to the Finance Subcommittee before making a decision.**

**Michael Salvatore made the following motion:**

**BE IT HEREBY RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE EXECUTIVE DIRECTOR TO NEGOTIATE A SETTLEMENT AGREEMENT WITH THE RIDEM TO SETTLE OUTSTANDING LITIGATION MATTERS IN A MANNER CONSISTENT WITH THE PARAMETERS DISCUSSED DURING EXECUTIVE SESSION HELD PURSUANT TO TI GEN LAWS 42-46-5A(2).**

**John St. Sauveur seconded the motion which passed unanimously.**

**Michael Salvatore made the following motion:**

**BE IT HEREBY RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN AND/OR THE EXECUTIVE DIRECTOR TO NEGOTIATE AND TO EXECUTE AN AMENDMENT OF THE**

**COMMERCIAL SOLID WASTE CONTRACT DATED JULY 26, 2006 WITH WASTE MANAGEMENT, INC. TO REFLECT A TWO YEAR TERM AND TO REFLECT THE TONNAGES AND PRICES RECOMMENDED BY THE FINANCE SUBCOMMITTEE.**

**Ken Aurecchia seconded the motion which passed unanimously.**

**Based on a discussion with W. Patrick McQueeney, Chief of Security, the Corporation would like to enter into an emergency procurement for fencing around the landfill.**

**Michael Salvatore made the following motion:**

**BE IT RESOLVED THAT THE EXECUTIVE DIRECTOR ENTER INTO AN EMERGENCY PROCUREMENT FOR FENCING SURROUNDING THE CENTRAL LANDFILL AS DISCUSSED DURING EXECUTIVE SESSION.**

**Ken Aurecchia seconded the motion which passed unanimously.**

**Michael Salvatore made a motion to adjourn at 10:30 a.m. The motion was seconded by John St. Sauveur and passed unanimously.**

**Sincerely,**

**Sherry Mulhearn**  
**Executive Director**

**:spd**